

SENDER WILL CHECK CLASSIFICATION TOP AND BOTTOM					
UNCLASSIFIED		CONFIDENTIAL		SECRET	
CENTRAL INTELLIGENCE AGENCY OFFICIAL ROUTING SLIP					
TO	NAME AND ADDRESS	DATE	INITIALS		
1	C/IB 2011 R & S				
2	<i>Mailed to CSC and Mutual 6/23/65</i>				
3					
4					
5					
6					
ACTION		DIRECT REPLY		PREPARE REPLY	
APPROVAL		DISPATCH		RECOMMENDATION	
COMMENT		FILE		RETURN	
CONCURRENCE		INFORMATION		SIGNATURE	

Remarks:

Attached is a rewrite of the letter to Andy Ruddock. Will you please review it carefully before releasing. If released, forward original and 2 copies to Ruddock. There are also two copies for you to send to Mutual. The one copy that shows the distribution is for your files.

You may recall that the letter in from Civil Service covers mental illness. I sent a copy of this to Dr. Tietjen for his review and recommendation. A copy of his answer is also attached for your information. You will note that

FOLD HERE TO RETURN TO SENDER (Over)

FROM: NAME, ADDRESS AND PHONE NO.		DATE
C/IBSD 5E47 Headquarters		6/22
UNCLASSIFIED		SECRET

FORM NO. 2-61 237 Use previous editions

U.S. GOVERNMENT PRINTING OFFICE : 1961 O-587282 (40)

TRANSMITTAL SLIP

TO: <i>CIB</i>		
ROOM NO. <i>2011</i>	BUILDING <i>R+5</i>	
REMARKS: <i>For your files.</i> <i>Mr. Tietjen's memo</i> <i>attached.</i>		
FROM: <i>BSD</i>		
ROOM NO.	BUILDING	EXTENSION

FORM NO. 241
1 FEB 55REPLACES FORM 36-8
WHICH MAY BE USED.

☆ GPO : 1957—O—439445

(47)

GOVERNMENT EMPLOYEES HEALTH ASSOCIATION

Post Office Box 463
Washington 4, D. C.

21 JUN 1965

Mr. Andrew E. Ruddle, Director
Bureau of Retirement and Insurance
United States Civil Service Commission
Washington, D. C. 20415

Dear Mr. Ruddle:

I have been authorized by the Board of Directors, Government Employees' Health Association, Inc. to set forth in this letter proposed changes in benefits which the Board is contemplating for our Association Benefit Plan for the forthcoming contract year.

In recent weeks, we have discussed with our underwriter certain benefit changes which our subscribers had interest in and which we felt would add immeasurably to the value of our Association Benefit Plan. The following items are those which the Board of Directors has under consideration, with its final decision to be made within the next few weeks. In view of your deadline of 30 June 1965, however, the Board has asked that we record the following changes with you now:

a. An increase in the hospital room and board benefit from the present limit of \$35 for 90 days to \$50 for 90 days for any one period of hospital confinement.

b. An increase in the hospital miscellaneous benefits from \$202.50 plus 80% of the next \$5,000 to payment in full for 90 days for any one period of hospital confinement.

c. An addition to the contract providing an incidental X-ray and laboratory expense benefit of \$75 for each calendar year. Suggested language for this addition would be: "If a protected person or an eligible dependent while insured under this policy and not confined as a resident hospital patient shall, because of accidental bodily injury or sickness, require x-ray or laboratory examinations, the Company will pay for the expense actually incurred for such examinations provided they are performed by or under the supervision of a legally qualified doctor of medicine but not to exceed in the aggregate the benefit limit specified in the Plan of Insurance."

d. Addition of an emergency accident benefit of \$50 each calendar year for treatment provided in a doctor's office within 24 hours after an accident. This coverage would pay actual charges for emergency treatment (other than surgery) by a doctor in his office within 24 hours after an accident, but not exceed \$50 in any one calendar year.

e. An increase in the maximum major medical benefit from \$20,000 to \$30,000.

f. An increase in the maternity benefits from the present limit of \$16 a day for up to 5 days to \$20 a day with a maximum of 8 days.

Information on the charges for these additions to our Association Benefit Plan is expected soon from our underwriter. In turn and before the deadline of 31 August 1965 specified in your letter of 13 April 1965, our formal request to you covering changes in subscription charges will be submitted.

We have studied carefully the material sent with your letter of 13 April 1965 regarding mental illness and mental retardation. In view of our contemplated additions to the plan as specified above, however, we do not feel we can make changes covering improvements for benefits for mental illness at this time. We will include this as a priority item for consideration as an improvement in our plan at the very next contract amendment time.

We are available for discussion of our proposed changes as you may feel necessary.

Very truly yours,

President

Distribution:

- 0 & 2 - Addressee
- 2 - Mutual of Omaha
- 1 - C/BSD
- 1 - C/IB

OP/BSI [redacted] bhd (18 June 1965)

CONFIDENTIAL

25 May 1965

MEMORANDUM FOR: Chief, Benefits and Services Division, Office of Personnel

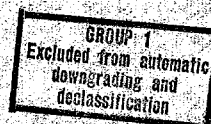
SUBJECT: Provision for the Coverage of Mental Illness in the GMA Hospitalization Plan

REFERENCE: Letter to [redacted] from Mr. Andrew E. Rudenok, Director, Bureau of Retirement and Insurance, CSC, dated 13 April 1965 (attached)

1. The Central Intelligence Agency hospitalization plan now in effect is, in most respects, commensurate for the coverage which it provides for mental illness. The specifications for the minimum hospital insurance coverage for mental illness as drawn up by the National Institutes of Mental Health have been reviewed. These specifications suggest that "mental health professionals other than psychiatrists who treat and identify mental illness" be covered in addition to psychiatric physicians. There have been no evident difficulties encountered in the Agency plan, which restricts treatment to either accredited hospitals or to psychiatric physicians. It is, therefore, suggested that no consideration be given at this time to changing this provision of the Agency plan.

2. It is noted that the Agency hospitalization plan specifically excludes coverage for alcoholism, drug addiction, and attempted suicide. The specifications of the NIMH suggest that "any illness described in the American Psychiatric Association Standard Nomenclature and Identified and Treated as such . . ." should be regarded as mental illness. In accord with the specifications, it would be reasonable to consider including alcoholism and drug addiction in the coverage. In view of the extensive screening employees undergo in connection with their processing for work with this Agency, it might be expected that the incidence of alcoholism and drug addiction would be low. Experience factors available within the Agency would probably support this. It is our understanding that attempted suicide is covered now only if the person is at the time already in psychiatric treatment. Since a suicidal attempt may be the presenting symptom of an emotional illness, it is recommended that this should be included within the coverage.

3. The low option Agency insurance plan, while it provides for psychiatric illness as completely as for physical disorders, covers basic hospital expenses for any disorder to a limited degree. As such, it does not meet many of the specifications of the NIMH recommendations. It is,

CONFIDENTIAL

CONFIDENTIAL**SUBJECT: Provision for the Coverage of Mental Illness in the GSA Hospitalization Plan**

however, understood that consideration is being currently given to discontinuing the low option plan. Accordingly, no further comments will be directed to the low option plan.

4. As in the NDM specifications, it is suggested that the high option plan be changed so that expenses for nervous and mental illness arising under the major medical deduction would be covered at the 80 per cent rate provided for in other disorders. However, it is reasonable that the coverage for psychiatric physicians' fees, either in or out of the hospital, continue at the current rate of 50 per cent up to a maximum of \$15.00 per visit.

5. The specifications of the NDM with respect to day and night hospital care are forward looking. While there has as yet been no apparent need for this type of coverage, it is likely that such care will be increasingly prescribed in the future. It is suggested that provision be made for the inclusion of part-day hospitalization on a proportional basis with a 24-hour hospital day. Thus, coverage would be for 90 full days of hospitalization at \$25.00 daily, or 180 12-hour days at \$12.50 per day, or 270 8-hour days at \$6.25 daily, or any combination thereof.

6. In summary, it is recommended that there be an extension of coverage to alcoholism, drug addictive disorders and attempted suicides, that there be an increase in expenses allowed under major medical deductions for nervous and mental illness from 50 per cent to 80 per cent (except for the physicians' fee which would remain at 50 per cent) and that there be more adequate provision for day and night hospitalization. The Agency hospitalization plan would then more than meet the minimum specifications of the NDM, and in addition would provide coverage for mental illness in the areas where financial burdens may at times accumulate excessively for an employee.

SIGNED

JOHN R. TIETJEN M.D.

**JOHN R. TIETJEN, M. D.
Director of Medical Services**

**Attachment:
Referenced Memorandum**

- 2 -

CONFIDENTIAL